

Leaders Call for a New Collective Approach to Youth Unemployment

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- Across the globe, young people are disproportionately unemployed, while businesses lack qualified workers
- Highlighting collaborative efforts with the World Economic Forum Global Shapers, business and civil society leaders called for new training initiatives and other public-private partnerships
- The theme of the 44th World Economic Forum [Annual Meeting](#) is “The Reshaping of the World: Consequences for Society, Politics and Business”
- For more information, visit <http://wef.ch/Davos>

Davos-Klosters, Switzerland, 23 January 2014 – Citing a “ mismatch ” between high youth unemployment across the globe and the dearth of qualified workers for many companies, corporate and civil society leaders at the World Economic Forum Annual Meeting 2014 called for a collaborative approach to seize the opportunity inherent in the problem.

In the presence of members of the Forum ’ s Global Shapers community – a worldwide network of socially engaged young people – leaders urged further incubation of creative ideas to train and invest in the 50% of the global population under the age of 27.

The potential upside of better incorporating youth into the economy is enormous, said Robert Greenhill, Managing

Director, World Economic Forum. For every percentage point increase in youth unemployment, US\$ 72 billion is

added to global consumption.

“ We ’ re trying to bring more entrepreneurs to the table, ” said Maria Fanjul, Chief Executive Officer, entradas.com,

Spain, and a Global Shaper, “ to encourage young people to be owners of their lives ” . She cited specific initiatives

from her Global Shapers hub in Spain on teaching young people software skills. “ Teaching kids how to code from an early age is as important for kids as maths or literature. ”

Asked by Greenhill about his impression of the Global Shapers initiative, Muhtar A. Kent, Chairman of the Board and Chief Executive Officer, The Coca-Cola Company, USA, said: “ I think it is one of the best things the World Economic Forum has done. ”

Kent added: “ Companies cannot just say we commit to this idea; we ’ ll hire another thousand interns. ” He said they also need to exhibit “ an action-biased agenda ” . He also highlighted Coca-Cola ’ s 5by20 programme, which aims to empower 5 million women entrepreneurs by 2020. As of December 2013, the programme has reached 337,000.

That is value both for Coca-Cola, he said, and for the communities themselves.

Klaus Kleinfeld, Chairman and Chief Executive Officer, Alcoa, USA, cited the other side of the unemployment

equation: a McKinsey study that found that 57% of employers complain there are not enough qualified candidates

for certain work.

“ Obviously, that is a mismatch, but that ’ s obviously an opportunity as well, ” he said. Khalid A. Al Falih, President

and Chief Executive Officer, Saudi Aramco, Saudi Arabia, agreed, pointing to his company ’ s efforts to fund

vocational training centres to bring in high-skilled trainers. These efforts, Falih said, secure their supply chain, build

goodwill and “ will address a societal need ” .

Expressing the need to avoid piecemeal solutions, Guy Ryder, Director-General, International Labour Organization,

Geneva, called for systemic initiatives, mentioning Germany ’ s success as a model for the United States. However,

he cautioned that youth unemployment is becoming long-term unemployment as about one young person in six in

the OECD countries is neither in jobs nor in training. Ryder pondered whether apprenticeships, largely a thing of

the past, might be revived as part of a broader solution.

The Annual Meeting 2014 is taking place from 22 to 25 January under the theme, The Reshaping of the World: Consequences for Society, Politics and Business. Participating this year are over 2,500 leaders from nearly 100 countries, including 300 public figures, 1,500 business leaders and representatives from civil society, academia, the media and arts.

The Co-Chairs of the Annual Meeting 2014 are Aliko Dangote, President and Chief Executive Officer, Dangote Group, Nigeria; Kris Gopalakrishnan, President, Confederation of Indian Industry (CII); Vice-Chairman, Infosys, India; Jiang Jianqing, Chairman of the Board, Industrial and Commercial Bank of China, People ' s Republic of China; Joseph Jimenez, Chief Executive Officer, Novartis, Switzerland; Christophe de Margerie, Chairman and Chief Executive Officer, Total, France; Marissa Mayer, Chief Executive Officer, Yahoo, USA and Judith Rodin, President, Rockefeller Foundation, USA.

Notes to Editors

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